(g) what is the total financial benefit given to the coffee growers from the special package?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN)): (a) to (d) Yes, Sir. The Government of India, as a part of the coffee package, is continuing the interest subsidy scheme on working capital loans availed by the growers from financial institutions at the rate of five and three per cent to small and large coffee growers respectively through the Coffee Board during the remaining period of the Tenth Plan period *viz.*, 2004-05 to 2006-07. The interest subsidy would be reduced by 1% for a period of 3 years in the case of those growers who receive the benefit of reduced interest burden on SCTL during the moratorium period.

(e) and (f) Yes, Sir. The Government of India is writing off coffee developmental loans along with interest amounting to around Rs. 24 crore, due from the Coffee Board to the Government of India—the Coffee Board will in turn waive the old developmental loans amounting to around Rs. 64.59 crore extended by the Board to the coffee growers having holding below 10 hectares only.

(g) The Government of India, besides the above benefits, under the "Coffee Package" has also provided the benefit of equal sharing of total interest burden estimated to be Rs. 287.10 crore on Special Coffee Term Loan (SCTL) during the three year moratorium period amongst the banks, the Government and the grower loanees to the extent of one-third each. It has also been decided to request banks to lower the interest rates charged on SCTL from existing 11% to 9% or rate applicable to agriculture sector whichever is lower, during the remaining repayment period of SCTL loans.

**Import of iron-scrap**

2268. SHRI S.M. LALJAN BASHA: Will the Minister of COMMERCE AND INDUSTRY be please to state:

(a) whether it is a fact that Government allows import of scrap iron for use in steel plants;

(b) if so, what is the policy with regard to import duty on import of scrap iron for actual users in the country;

(c) what steps are proposed by Government to ensure that leakages and frauds are prevented in this matter; and

(c) reasons for allowing low import duty on import of scrap iron meant for re-export, etc.?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) Import of metal scrap is allowed without a license subject to the conditions laid down in Para 2.32 of the Handbook of Procedures. The policy for such imports provides that metallic scrap should not contain hazardous, toxic waste, radio-active material. Import of metallic scrap in shredded form is allowed through all ports and does not require a Pre-Shipment Inspection Certificate at the time of the clearance of goods. Import of metallic scrap in unshredded, compressed and loose form is allowed only through specified ports and requires a Pre-Shipment Inspection Certificate to the effect that the consignment does not contain any type of arms, ammunition, mines, shells, cartridges, radio-active contaminated or any other explosive in any form either used or other-wise.

(c) and (d) As a part of the tightening of the regime governing import of heavy metallic scrap, Government has laid down certain new guidelines and procedures in consultation with other Ministries including Home Affairs, Steel, Revenue and Shipping. The regime for import of metallic scrap is under constant review by the Committee of Secretaries.

**Blacklisting of agencies issuing pre-Shipment Inspection certificates**

2269. DR. M.A.M. RAMASWAMY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether after the last year's explosions in and around Delhi caused by live shells imported as scrap, DGFT black listed a number of agencies authorised by it to issue Pre-Shipment Inspection (PSI) certificates;

(b) if so, the details of such companies;

(c) whether live shells are still being imported as scrap; and

(d) if so, the stringent action being taken or proposed to be taken in this regard by Government?